



Crop Insurance for Future Farmers Act

Background:

Young and Beginning Farmers have always played a critical role in American agriculture. Not only do these farms provide economic security for their families, but they also bring economic activity to their rural community – helping keep their towns alive. After peaking at 6.8 million farms in 1935, the number of farms has dropped to approximately 2 million U.S. farms in 2022. Having sold [\\$66 billion](#) (\$30B in crop, \$36B in livestock) in ag production in 2017, our young producers play a critical role in shaping our agricultural economy. Additionally, as of 2017, there were over 370,000 producers who had served or were serving in the military, accounting for 11% of all producers.

Issue:

As shown above, the number of farms continues to drop, but the main concern is not who is farming now, but who will be the next generation of landowners. According to recent figures, 34% of all producers were over 65, while only 8% were younger than 35 - this means that approximately 40% of farmland is expected to transfer hands over the next two decades. With foreign-owned companies, hedge-funds, and billionaires buying more land than ever, it is essential we give our young producers and veteran producers a path to success.

Input costs, sky-high interest rates, record inflation, and overall price of entry all create huge burdens to entry for a lot of young producers wanting to get into agriculture. One of those costs for our producers is crop insurance, the vital tool in the farm safety net toolkit. In the Iowa Fourth district, about 50,000 crop insurance policies are active, and our Beginning Farmers need crop insurance to provide certainty and predictability.

Solution:

With these massive changes coming in land transferring hands, we need to support our Beginning and Veteran Farmers. The *Crop Insurance for Future Farmers Act* would do that by aligning the crop insurance definition of a Beginning Farmer to match other programs – 10 crop years or less. The current crop insurance definition gives Beginning Farmer status to someone with 5 crop years or less. Additionally, premium subsidies would be slightly increased for Beginning and Veteran Farmers for the first 5 crop years – the most vulnerable time for a young farmer. This would apply to all FCIP policies, including livestock policies.

These changes provide stability and certainty for those young producers that have taken a massive risk to be a part of the breadbasket of the world. This will not only help increase the number of small, family farms with young producers owning their own land, but it will support our rural communities by keeping the younger generation on the farm. Lastly, the *Crop Insurance for Future Farmers Act* supports our veterans that have sacrificed for this country by assisting them when starting their new career as a farmer.

For more information or to cosponsor the bill, please contact Josh Millard in Rep. Feenstra's office at josh.millard@mail.house.gov